

Subcommittee on Commerce, Trade and Consumer Protection of
the Committee on Energy and Commerce Hearing on
Thoroughbred Racing

The Honorable Bobby L. Rush, Chairman

June 19, 2008

Testimony of Richard B. Shapiro

Mr. Chairman, Members:

For three generations my family has been involved in nearly every aspect of this sport. I have operated a race track, competed as a harness driver, and have owned and bred thoroughbreds for racing. Currently, I am the chairman of the California Horse Racing Board.

I would first like to acknowledge the thousands of dedicated horsemen and horsewomen who keep this beautiful sport alive. Horse racing is a \$26 billion a year industry, directly providing nearly 400,000 jobs and satisfying careers, from the inner city to rural America. As one of the first and oldest forms of legalized gambling in the United States, horse racing occupies a special place in our history and our culture.

Nevertheless, I have witnessed the changes and accept the challenges that all of us in this industry now address every day: How do we help our sport survive – and maintain its integrity – in this era of enormous competition from Indian casinos, card clubs, new lottery games and the potential spread of legalized Internet gambling?

We are in the midst of transforming our ivy-covered bricks and mortar racing venues into the flashy web graphics of live sports telecasting and entertainment – entertainment that people bet on. We must carefully balance the need to attract newer and younger casual fans while satisfying our regular patrons who enjoy our

game and keep these venues alive. And we must never lose our vision or neglect our responsibility to care for the horses that people come to see: The beautiful creatures who make it all possible and whose health and welfare must always be our prime concern.

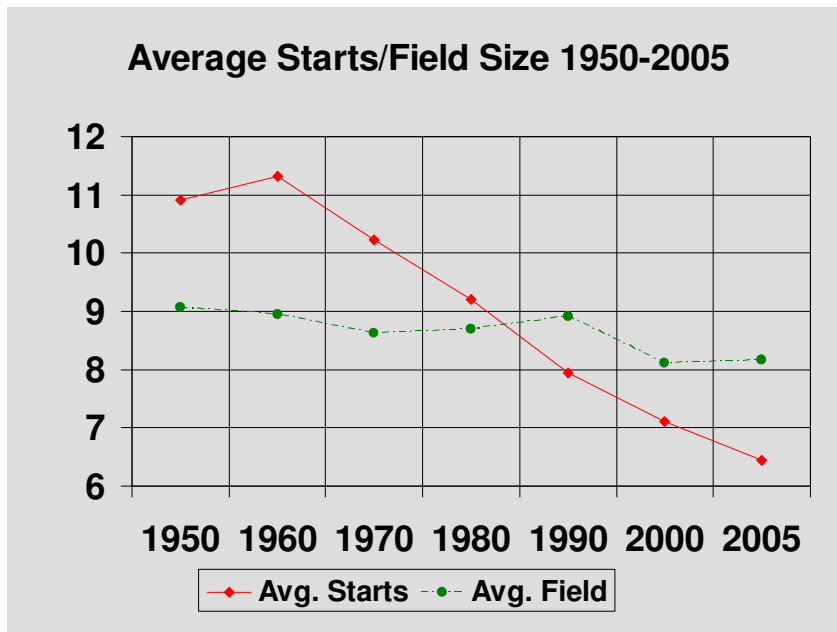
As the tragic death of Eight Belles after the Kentucky Derby reminded us, horses are fragile and the game can be cruel. But more is in operation here, and the best minds of the industry are closely examining why it is that the breed appears to be weakening. In 1948, Citation won 19 of 20 starts as a three year-old, including the Triple Crown. That same year he beat older horses and won at every distance between six furlongs and two miles. This year the Kentucky Derby was won by a horse that had only raced three times – and now may race only twice more, if at all.

According to the Jockey Club, horses raced on average 6.3 times in 2007, down from a peak in 1960 of 11.3 times. And this despite diagnostic and veterinary medicine that rivals the human care offered at the nation's best hospitals and clinics. A longtime track vet once testified that, "Twenty years ago we had twice the horses and half the vets. Now we have twice the vets and half the horses." Today, it is not uncommon for some vets to examine their patients for free and charge only for the medicines they prescribe, an inherent conflict of interest.

Without a doubt, medication has changed our sport and presented us with profound challenges that threaten the game itself. For the sake of speed, and for having the fastest horse on the first Saturday in May, fewer horses are bred for durability, longevity and stamina. We push two year-olds onto the track before many can handle the rigors of racing. The game has become more "horse breeding" than "horse racing". To give you a personal example, my family bred and owned the first horse to earn a million dollars bred in California, Native Diver, who raced 81 times and won 34 stakes races – a record that still stands. Today, the career of a stakes-caliber horse is considered long if it runs 25 times before retirement.

Over the past 40 years we have traded the time-tested regimen of hay, oats and water for a virtual pharmacopoeia – lasix, butezolidin, Clenbuterol – that has created, as one commentator noted recently, “The Chemical Horse.” After banning it as a performance enhancer, racing later permitted the widespread use of Clenbuterol -- a drug originally marketed to fatten cattle -- after its proponents claimed nothing else worked as well to clear out a horse’s respiratory system. Despite evidence suggesting that this drug can alter the muscle mass of the heart, it is commonly used in racing.

And we have created The Chemical Horse in the name of medicine and therapy when, too often it has been done to gain a competitive advantage. How else do we explain the widespread use of steroids in horses? As Dr. Donald Catlin, whose tests are used by U.S. Olympic Committee said recently, “We’ve seen how anabolic steroids work in humans. It’s going to work the same way in horses.” Clearly, there is no place for anabolic steroids in competitions of man or horse.



Equine Drugs Approved by FDA

- 1960's
 - Corticosteroids
 - Dexamethasone
 - Flumethasone
 - Isoflupredone
 - Methylprednisolone
 - NSAID
 - Phenylbutazone (Bute)
 - Anabolic Steroids
 - Testosterone
 - Stanozolol (Winstrol)
- 1970's
 - Corticosteroids
 - Betamethasone
 - Triamcinolone
 - NSAID
 - Flunixin (Banamine)
 - Anabolic Steroids
 - Boldenone (Equipose)
 - Muscle Relaxant
 - Metocarbamol (Robaxin)

Equine Drugs Approved by FDA

- 1980's
 - EIPH Treatment
 - Furosemide (Lasix)
 - Anabolic Steroids
 - Trenbolone
 - Joint disease
 - Hyaluronate Sodium
 - Analgesic
 - Butorphanol
 - Detomidine
- 1990's and 2000's
 - Bronchodilator
 - Clenbuterol
 - Albuterol
 - NSAIDs
 - Diclofenac (Surpass)
 - Firocoxib (Equioxx)

Breeding for speed, over-medicating and trying to stay popular and relevant in this era of widespread gaming opportunities, are just three of the major issues we deal with every day. Numerous others affect our future, too. For example, we continue to demand that jockeys maintain weights potentially dangerous to their health at the same time we have been taking weight off the horses because trainers and owners have demanded it. Farriers fit our horses with shoes designed to grab or stick and provide more traction which have been proven to be harmful. That, too, needs to stop.

But there is one issue larger than all the others: Our industry is a chorus of many voices not always singing from the same music. We are owners, breeders, trainers, track operators and regulators, all with distinct concerns and we all must navigate 38 sets of rules and regulations all designed to protect the horse, the rider and the betting public. We have no central governance, no uniform policies, rules, and laws that assure an even playing field in all respects.

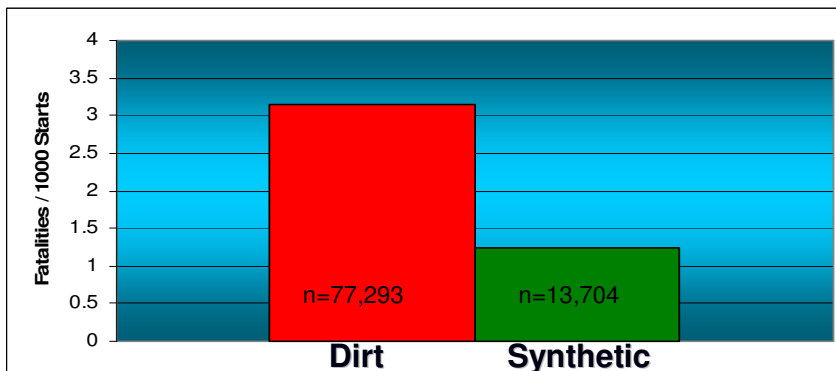
What was once a straightforward process of state stewards policing the sport has morphed into a legalistic nightmare in which steward's decisions are litigated at great expense to diminishing regulatory budgets for months, and sometimes, years. Participation in horse racing is a privilege not a right. As regulators we must demand and vigilantly ensure that all of racing's constituents adhere to uniform rules as the price to participate.

I submit: We need a national racing charter. One uniform set of rules and policies, one that governs all who choose to enjoy the privilege of racing. This should be the price of admission to our sport. The charter must establish uniform and consistent rules for the use of medication and the pre- and post-race testing of horses. And racing must overhaul the patchwork way it enforces its rules. The game needs a disciplinary system that is swift, fair and firm.

In my state, California, we have tackled the issues of medication and safety almost continuously for the past 20 years. We test every horse for milkshakes and are banning the use of anabolic steroids. We have mandated that associations install safer, softer racing surfaces at our major tracks. This, too, has not occurred without special challenges, as we learned at Santa Anita this year, nor is it perfected yet. But horses are returning sounder, more are racing and racing longer and, most importantly, fewer are breaking down.



Main Track Racing Fatalities* 2004-2007



Santa Anita, Hollywood Park, Del Mar, Oaktree at Santa Anita, Golden Gate Fields
& Bay Meadows Only



Main Track Racing Fatalities* 2004-2007

	Fatality to Starts	Fatalities per 1000 Starts
Dirt (246 / 77,293)	1/314	3.18
Synthetic (17 / 13,704)	1/806	1.24

Santa Anita, Hollywood Park, Del Mar, Oaktree at Santa Anita, Golden Gate Fields
& Bay Meadows Only

California recently adopted new stringent medication rules and penalty guidelines for punishing offenders. With state-of-the-art instrument testing, we examine post-race urine samples for more than 800 known compounds. Others test far fewer, unfairly tilting the playing field. But the regulatory scheme to prevent the use of performance-enhancing medication is only as good as its ability to find and detect the drugs in use. More research, and sound scientific study, is needed now.

California's necropsy program, the only one in the country, studies fatalities and has led to numerous other studies to protect horse and rider. For nearly two years we have been pushing the industry to conduct more and better due diligence about the individuals and the entities operating satellite wagering facilities to which we export our racing signals. We need to know that those participating in our pools are there for all the right reasons. Something this important should not take over two years to accomplish.

While better science and closer study are both valuable and necessary, I submit: Racing cannot always wait for science to confirm what it knows in its gut to be true. We need the ability to make hard decisions faster than science or government can provide – even knowing some choices will be hard and may not satisfy every concern -- so that, together, we can move the industry forward.

We must modernize the way the game is regulated. I do not believe a national regulatory scheme should be imposed. Rather, we need your encouragement and assistance to ensure the 38 states where racing occurs will adopt uniform rules and regulations. The time has come for the racing jurisdictions to create, fund and staff one independent central regulatory body to police the game and protect all who participate. I submit: We need a National Racing Commission.

While I applaud and support the efforts of RCI and others, the imperative to always reach a consensus among 38 jurisdictions makes meaningful reform a slow, tedious and often contentious process. We need a single-set of rules and regulations to survive and thrive. Every person and entity who participates should have a voice in writing a new charter. I submit: To retain its fans and to prosper, racing must act now.

Should Congress help us? And, if so, how?

First, recognize and encourage the continuation of the trend toward a single regulatory scheme we have begun through RCI and numerous *ad hoc* committees throughout the sport.

Second, help us promote and fund more focused research in matters of equine health, jockey and track safety.

Third, consider restoring investment and tax incentives to encourage horsemen to keep the sport's best horses on the track longer, where a new generation of fans can witness their majesty before they retire to the breeding shed.

Finally, help us create opportunities to inject new life into the sport by easing restrictions on the types and manners of wagers

permitted to showcase our product, safeguard it from piracy, and ensure a healthy future for this sport.

The Eight Belles tragedy and the understandable reaction of those who love these animals as much as we do brought us here today. As owners, breeders, trainers, track operators and regulators, we know we must work even harder together or face an uncertain future alone.

Thank you for your interest and support.